GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Energy Department - New and Renewable Energy - Wind and Solar energy policy – High Level Negotiation Committee(HLNC) - Constitution - To negotiate and bring down costs in all the high priced wind and solar Power Purchase Agreements – Orders –Issued.

ENERGY (Power II) DEPARTMENT

G.O.RT.No. 63 Dated: 01-07-2019

ORDER:

The Power Distribution Companies (DISCOMS) in the state are in financial crisis with huge power purchase dues amounting to about twenty thousand crores as on date. One of the major reasons for this is the issue of abnormally priced wind and solar power purchase agreements entered in the recent years. In order to ensure that consumers are provided with affordable power and DISCOMS are pulled out of the financial distress there is a need to review and renegotiate the exorbitantly priced wind and solar Power Purchase Agreements (PPA).

2. After careful examination of the matter, Government hereby constitute the following High Level Negotiation Committee for PPAs (HLNC) to review, negotiate and bring down the high wind and solar energy purchase prices.

01. Sri B.Rajendranatha Reddy, Minister for Finance and Legislative Affairs.
02. Sri B.Sreenivasa Reddy, Minister for Energy and EFS & T Department.
03. Sri S Sriram , Advocate General, A.P.High Courts.
04. Sri Ajeya Kallam, Principal Advisor to Chief Minister.
05. Sri S.S.Rawath,IAS, Principal Finance Secretary, Finance Department.
06. Sri N.Srikant,IAS, Secretary to Govt, Energy Department
07. Sri D Krishna, Special Secretary to Chief Minister.
08. Sri Gopal Reddy, former CMD, APSPDCL,
09. Joint Managing Director, APTRANSCO, Member- Convenor.

3. Functions and powers of the HLNC shall be:

(i) to review the high priced wind and solar agreements;
(ii) to negotiate with those who are selling wind and solar energy to DISCOMS and bring down the prices; and
(iii)to make suitable recommendations.

4. HLNC will be guided by the following benchmarks during negotiations:

(i) Lowest Wind and Solar energy rates in the corresponding years in the country;
(ii) rates prevailing currently;
(iii) the opportunity cost for power from APGENCO plants, existing thermal contracts and Central Generating Stations allocations.

5. The HLNC shall complete the negotiations and submit a report to the Government within 45 days from the date of issue of these orders.

6. The Chairman & Managing Director APTRANSCO, CMD, APEPDCL , CMD, APSPDCL and VC&MD, NREDCAP shall take necessary action accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

SRIKANT NAGULAPALLI
SECRETARY TO GOVERNMENT

To
All concerned.
The Chairman & Managing Director, APTRANSCO, Vijayawada.
The CMD/APEPDCL, CMD/APSPDCL, VC&MD, NREDCAP.
Copy to:
The P.S to Secretary to Govt, Energy Department.
The O.S.D to Special Chief Secretary to C.M.
SF/SC.(Computer No.920541)

// FORWARDED :: BY ORDER //

SECTION OFFICER